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## Department of State

**TELEGRAM** 

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JIDDA Ø37Ø1 23Ø633Z

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INFO OCT-Ø1 ISO-ØØ CIAE-ØØ DODE-ØØ PM-Ø4 H-Ø1 <u>INR-Ø7</u> L-Ø3 NSAE-ØØ NSC-Ø5 PA-Ø1 PRS-Ø1 SP-Ø2 SS-15 USIA-Ø6 ACDA-Ø7 /Ø63 W

USIA-06 ACDA-07 /063 W

R 230558Z MAY 77
FM AMEMBASSY JIDDA
TO SECSTATE WASHDC 8414
INFO AMEMBASSY ABU DHABI
AMEMBASSY MUSCAT
AMCONSUL DHAHRAN

SECRET JIDDA 3701

E.O. 11652: XGDS-1 TAGS: PFOR, SA, MU SUBJECT: BAUDI-OMANI BORDER NEGOTIATIONS

REF: JIDDA 2425

- 1. THE DIRECTOR OF GULF AND PENINSULA AFFAIRS AT THE FOREIGN MINISTRY, ISMAIL AL SHURA (PLEASE PROTECT) INFORMED US ON MAY 22 THAT THE SUBJECT OF BORDER NEGOTIATIONS HAD COME UP DURING THE RECENT VISIT TO THE KINGDOM OF SULTAN QABUS. DISCUSSION OF THIS QUESTION TOOK PLACE AT A RESTRICTED MEETING ATTENDED ONLY BY THE TWO HEADS OF STATE AND CROWN PRINCE FAHD. ACCORDING TO THE INFORMATION MADE AVAILABLE TO THE FOREIGN MINISTER AFTER THE MEETING THERE WAS SOME PROGRESS OF A SORT.
- 2. THE LEADERS DECIDED TO FORM A JOINT COMMISSION CHAIRED BY THE INTERIOR MINISTERS OF THE TWO COUNTRIES TO WORK OUT DETAILS AFTER GENERAL AGREEMENT HAS BEEN REACHED. FOREIGN MINISTERS ZAWAWI AND PRINCE SAUD WILL CONTINUE THE NEGOTIATIONS BASED UPON TWO PRINCIPLES: (A) THAT DISPUTED TERRITORY WHICH IS UNPOPULATED WILL BE PARTITIONED AND (B) DIVISION OF POPULATED TERRITORIES WILL BE DECIDED AFTER DETERMINING THE LOYALTIES OF THE POPULATION. AL SHURA COMMENTED THAT THIS REPRESENTED SOME OMANI FLEXIBILITY SINCE THE OMANIS HAD TIL THEN BEEN INSISTING ON DIVISION OF DISPUTED POPULATED LANDS ON THE BASIS OF WHICH COUNTRY HAD BEEN EXERCISING AUTHORITY IN THEM IN RECENT YEARS WHILE THE SAUDIS FAVORED A "PLEBISCITE". OTHERWISE, HOWEVER, THE AGREED PRINCIPLES FOR FURTHER NEGOTIATIONS WERE SO VAGUE AS TO HAVE LITTLE MEANING.
- 3. THE SAUDIS HAD ALSO RAISED THE QUESTION OF OMAN'S CEDING A CORRIDOR TO THE ARABIAN SEA. SULTAN QABUS HAD SAID THAT THE WOULD BE WILLING TO LEASE A CORRIDOR FOR THIRYT YEARS. THE SAUDIS DID NOT CONSIDER THIS AN ATTRACTIVE OFFER SINCE LARGE SCALE EXPLOITATION OF THE OIL RESERVES OF THE EMPTY QUARTER IS STILL ANUMBER OF YEARS OFF AND IT WOULD BE VERY EXPENSIVE TO CONSTRUCT PIPELINES AND TERMINAL FACILITIES ON THE ARABIAN SEA. THE SAUDI SIDE WAS NONETHELESS ECNOURAGED THAT SULTAN QABUS HAD ACCEPTED THE PRINCIPLE OF A CORRIDOR AND IF ONE COULD BE LEASED FOR THIRTY YEARS RENEWABLE FOR ANOTHER THIRTY PEARS THE SAG MIGHT FIND IT ACCEPTABLE.

SECHET